

Business Loan Under CGTMSE: A Complete Guide for MSMEs

Access to timely finance is one of the biggest challenges for small and medium businesses in India. To support MSMEs, the Government of India introduced the CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises) scheme, which enables businesses to get collateral-free business loans.

What is a Business Loan Under CGTMSE?

A CGTMSE business loan is a government-backed loan where no collateral or third-party guarantee is required. The government provides a credit guarantee to banks and NBFCs, making it easier for MSMEs to get funding up to **■5 Crore**.

Key Benefits of CGTMSE Business Loan

- No collateral required
- Loan amount up to **■5 Crore**
- Government credit guarantee
- Flexible repayment tenure up to 60 months
- Can be used for working capital, expansion, or equipment purchase

Eligibility Criteria

- MSMEs including Proprietorship, Partnership, LLP, and Private Limited companies
- Manufacturing and service sector businesses
- Stable turnover and banking history
- Acceptable credit profile

Documents Required

- KYC of promoters (PAN, Aadhaar)
- Business registration documents
- Bank statements (6–12 months)
- ITR and financial statements
- Business profile and loan requirement

Interest Rate & Charges

Interest rates generally start from 14% onwards. Exact rates and charges depend on the lender and business profile.

How Terkar Capital Helps

Terkar Capital provides end-to-end support for CGTMSE loans, including eligibility assessment, documentation assistance, lender coordination, and faster disbursal.

Conclusion

CGTMSE business loans are an excellent option for MSMEs looking for collateral-free funding. With expert guidance from Terkar Capital, businesses can secure funding smoothly and grow without risking assets.